

SENATE BILL 8

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HB 1087/03 - APP

2004 Regular Session  
4lr0640

(PRE-FILED)

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By: ~~Senator Green~~ **Senators Green and Hollinger**

Requested: September 25, 2003

Introduced and read first time: January 14, 2004

Assigned to: Budget and Taxation

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Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: April 8, 2004

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 ~~Teachers' Retirement and Pension Systems - Reemployment of Retired~~  
3 ~~Teachers - Sunset Extension~~  
4 Retirement and Pensions - Reemployment of Retirees

5 FOR the purpose of altering the criteria for hiring certain retirees of the Employees'  
6 Retirement System, the Employees' Pension System, the Teachers' Retirement  
7 System, or the Teachers' Pension System; requiring that certain retirees of the  
8 Teachers' Retirement System or the Teachers' Pension System who are rehired  
9 by certain employers return to work in certain schools or teach certain subjects;  
10 requiring certain superintendents of local school systems to submit a certain  
11 report to the State Board of Education by a certain date; providing that certain  
12 retirees of the Employees' Retirement System, the Teachers' Retirement System,  
13 the Employees' Pension System, or the Teachers' Pension System may not be  
14 rehired by certain employers within a certain period of time from the date when  
15 the retirees retired; repealing the requirement that the State Board of  
16 Education provide the county boards of education with certain information  
17 regarding reconstituted schools; requiring the State Superintendent of Schools  
18 and the Secretary of Health and Mental Hygiene to submit certain reports by a  
19 certain date to certain committees; altering the conditions under which certain  
20 retirees who are receiving an ordinary disability retirement and who are  
21 reemployed by certain employers are subject to a reduction to their ordinary  
22 disability retirement allowance; altering the termination dates for certain  
23 provisions of law that allow certain retirees of the Teachers' Retirement and  
24 Pension Systems to be reemployed by certain employers without having an  
25 earnings limitation imposed on their retirement benefit; providing for the  
26 application of this Act; and generally relating to ~~an extension of the termination~~

1 ~~dates for provisions of law that allow retirees of the Teachers' Retirement and~~  
 2 ~~Pension Systems to be reemployed without an earnings limitation imposed on~~  
 3 ~~their retirement benefit~~ the reemployment of retirees.

4 BY repealing and reenacting, ~~without~~ with amendments,  
 5 Article - State Personnel and Pensions  
 6 Section ~~22-406 and 23-407~~ 22-406, 23-407, and 29-116  
 7 Annotated Code of Maryland  
 8 (1997 Replacement Volume and 2003 Supplement)

9 BY repealing and reenacting, with amendments,  
 10 Chapter 518 of the Acts of the General Assembly of 1999  
 11 Section 3

12 BY repealing and reenacting, with amendments,  
 13 Chapter 245 of the Acts of the General Assembly of 2000  
 14 Section 3

15 BY repealing and reenacting, with amendments,  
 16 Chapter 732 of the Acts of the General Assembly of 2001  
 17 Section 2

18 BY repealing and reenacting, with amendments,  
 19 Chapter 733 of the Acts of the General Assembly of 2001  
 20 Section 3

21 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
 22 MARYLAND, That the Laws of Maryland read as follows:

23 **Article - State Personnel and Pensions**

24 22-406.

25 (a) An individual who is receiving a service retirement allowance or vested  
 26 allowance may accept employment with a participating employer on a permanent,  
 27 temporary, or contractual basis, if:

28 (1) the individual immediately notifies the Board of Trustees of the  
 29 individual's intention to accept this employment; and

30 (2) the individual specifies the compensation to be received.

31 (b) (1) The Board of Trustees shall reduce the allowance of an individual  
 32 who accepts employment as provided under subsection (a) of this section if:

33 (i) the individual's current employer is a participating employer  
 34 other than the State and is the same participating employer that employed the

1 individual at the time of the individual's last separation from employment with a  
2 participating employer before the individual commenced receiving a service  
3 retirement allowance or vested allowance;

4 (ii) the individual's current employer is any unit of State  
5 government and the individual's employer at the time of the individual's last  
6 separation from employment with the State before the individual commenced  
7 receiving a service retirement allowance or vested allowance was also a unit of State  
8 government; or

9 (iii) the individual becomes reemployed within 12 months of  
10 receiving an early service retirement allowance under § 22-402 of this subtitle.

11 (2) The reduction required under paragraph (1) of this subsection shall  
12 equal:

13 (i) the amount by which the sum of the individual's initial annual  
14 basic allowance and the individual's annual compensation exceeds the average final  
15 compensation used to compute the basic allowance; or

16 (ii) for a retiree who retired under the Workforce Reduction Act  
17 (Chapter 353 of the Acts of 1996), the amount by which the sum of the retiree's annual  
18 compensation and the retiree's annual basic allowance at the time of retirement,  
19 including the incentive provided by the Workforce Reduction Act, exceeds the average  
20 final compensation used to compute the basic allowance.

21 (3) A reduction of an early service retirement allowance under paragraph  
22 (1)(iii) of this subsection shall be applied only until the individual has received an  
23 allowance for 12 months.

24 (4) Except for an individual whose allowance is subject to a reduction as  
25 provided under paragraphs (1)(iii) and (3) of this subsection, the reduction of an  
26 allowance under this subsection does not apply to:

27 (i) an individual who has been retired for more than 10 years;

28 (ii) an individual whose average final compensation was less than  
29 \$10,000 and who is reemployed on a temporary or contractual basis;

30 (iii) an individual who is serving in an elected position as an official  
31 of a participating governmental unit or as a constitutional officer for a county that is  
32 a participating governmental unit;

33 (iv) a retiree of the Teachers' Retirement System:

34 1. who retired and was reemployed by a participating  
35 employer other than the State on or before September 30, 1994; and

36 2. whose employment compensation does not derive, in whole  
37 or in part, from State funds;

1 (v) a retiree of the Teachers' Retirement System who:

2 1. is or has been certified to teach in the State, IN ENGLISH,  
 3 READING, MATH, SCIENCE, A FOREIGN LANGUAGE, CIVICS AND GOVERNMENT,  
 4 ECONOMICS, HISTORY, GEOGRAPHY, ENGLISH AS A SECOND LANGUAGE,  
 5 TECHNOLOGY EDUCATION, SPECIAL EDUCATION, OR ELEMENTARY EDUCATION;

6 2. has verification of satisfactory or better performance in  
 7 the last assignment prior to retirement;

8 3. based on the retired teacher's qualifications, has been  
 9 appointed in accordance with § 4-103 of the Education Article; AND

10 4. ~~subject to item 5 of this item~~ is employed as:

11 A. ~~a substitute classroom teacher or substitute teacher~~  
 12 ~~mentor in a public school that has been recommended for reconstitution, or has been~~  
 13 ~~reconstituted, by the State Board of Education, until the public school meets the~~  
 14 ~~standards for school performance set by the State Board of Education;~~

15 B. ~~a classroom teacher or teacher mentor in a public school~~  
 16 ~~that has been recommended for reconstitution, or has been reconstituted, by the State~~  
 17 ~~Board of Education, until the public school meets the standards for school~~  
 18 ~~performance set by the State Board of Education;~~

19 C. ~~a classroom teacher or teacher mentor in a county or~~  
 20 ~~subject area on a statewide basis in which the State Board of Education finds that~~  
 21 ~~there is a shortage of teachers, until the State Board of Education finds the shortage~~  
 22 ~~no longer exists in that county or subject area on a statewide basis; or~~

23 D. ~~a substitute classroom teacher or substitute teacher~~  
 24 ~~mentor in a county or subject area on a statewide basis in which the State Board of~~  
 25 ~~Education finds that there is a shortage of teachers, until the State Board of~~  
 26 ~~Education finds the shortage no longer exists in that county or subject area on a~~  
 27 ~~statewide basis; and~~

28 5. ~~4.~~ receives verification of satisfactory or better  
 29 performance each year the teacher is employed under ~~item 4 of this item~~ PARAGRAPH  
 30 (5) OF THIS SUBSECTION;

31 (vi) a retiree of the Teachers' Retirement System who:

32 1. A. was employed as a principal within 5 years of  
 33 retirement; or

34 B. was employed as a principal not more than 10 years before  
 35 retirement and was employed in a position supervising principals in the retiree's last  
 36 assignment prior to retirement;



1                   (II)     EXCEPT AS PROVIDED IN SUBPARAGRAPH (III) OF THIS  
2 PARAGRAPH, AN INDIVIDUAL REHIRED AT A SCHOOL DESCRIBED UNDER  
3 SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL TEACH:

4                             1.     A CORE SUBJECT THAT HAS BEEN IDENTIFIED BY THE  
5 STATE DEPARTMENT OF EDUCATION BY REGULATION AS A CRITICAL SHORTAGE  
6 AREA;

7                             2.     TECHNOLOGY EDUCATION;

8                             3.     A SPECIAL EDUCATION CLASS FOR STUDENTS WITH  
9 SPECIAL NEEDS; OR

10                            4.     A CLASS FOR STUDENTS WITH LIMITED ENGLISH  
11 PROFICIENCY.

12                   (III)    AN INDIVIDUAL REHIRED AT A SCHOOL DESCRIBED UNDER  
13 SUBPARAGRAPH (I) OF THIS PARAGRAPH MAY NOT TEACH IN THE ARTS, AS DEFINED  
14 BY THE STATE DEPARTMENT OF EDUCATION BY REGULATION.

15                   (6)     AN INDIVIDUAL WHO IS REHIRED UNDER PARAGRAPH (4)(VI) OF THIS  
16 SUBSECTION SHALL BE EMPLOYED AS A PRINCIPAL AT A PUBLIC SCHOOL THAT:

17                            (I)     IS NOT MAKING ADEQUATE YEARLY PROGRESS AS DEFINED  
18 UNDER THE FEDERAL NO CHILD LEFT BEHIND ACT OF 2001 AND AS IMPLEMENTED  
19 BY THE STATE DEPARTMENT OF EDUCATION;

20                            (II)    IS RECEIVING FUNDS UNDER TITLE 1 OF THE FEDERAL NO  
21 CHILD LEFT BEHIND ACT OF 2001; OR

22                            (III)   PROVIDES AN ALTERNATIVE EDUCATION PROGRAM FOR  
23 STUDENTS WHO HAVE BEEN EXPELLED, SUSPENDED, OR IDENTIFIED FOR  
24 SUSPENSION OR EXPULSION FROM A PUBLIC SCHOOL.

25                   (7)     IF, AT THE TIME AN INDIVIDUAL IS REEMPLOYED UNDER  
26 PARAGRAPH (4)(V) OR (VI) OF THIS SUBSECTION AT A SCHOOL DESCRIBED UNDER  
27 PARAGRAPH (5)(I)1 OR (6)(I) OF THIS SUBSECTION, AND WHILE THE INDIVIDUAL IS  
28 REEMPLOYED THE SCHOOL MAKES ADEQUATE YEARLY PROGRESS, THE INDIVIDUAL  
29 MAY CONTINUE TO BE REEMPLOYED AT THAT SCHOOL FOR 3 YEARS FROM THE DATE  
30 THE SCHOOL FIRST MADE ADEQUATE YEARLY PROGRESS AFTER THE INDIVIDUAL  
31 WAS REHIRED.

32                   (8)     AN INDIVIDUAL WHO IS REHIRED UNDER PARAGRAPH (4)(V) OR (VI)  
33 OF THIS SUBSECTION MAY NOT BE EMPLOYED AT A PUBLIC SCHOOL THAT IS IN THE  
34 TOP 60% OF PUBLIC SCHOOLS IN THE STATE IN OVERALL PERFORMANCE FOR THE  
35 PRIOR SCHOOL YEAR IN READING AND MATH, AS CALCULATED ANNUALLY BY THE  
36 STATE BOARD OF EDUCATION.

37                   (9)     (I)     THE SUPERINTENDENT OF THE LOCAL SCHOOL SYSTEM  
38 REHIRING AN INDIVIDUAL UNDER PARAGRAPH (4)(V) OR (VI) OF THIS SUBSECTION

1 SHALL APPROVE THE REHIRING OF THAT INDIVIDUAL AND SHALL DETERMINE THE  
 2 SCHOOL WHERE THE INDIVIDUAL SHALL BE REEMPLOYED.

3 (II) ON OR BEFORE AUGUST 1 OF EACH YEAR, THE LOCAL  
 4 SUPERINTENDENT SHALL REPORT ANNUALLY TO THE STATE BOARD OF EDUCATION:

5 1. THE NUMBER OF INDIVIDUALS REHIRED UNDER  
 6 PARAGRAPH (4)(V) OR (VI) OF THIS SUBSECTION;

7 2. THE LOCATION OF THE SCHOOL WHERE EACH  
 8 INDIVIDUAL IS EMPLOYED;

9 3. THE SUBJECT MATTER TAUGHT BY EACH INDIVIDUAL;  
 10 AND

11 4. THE ANNUAL SALARY OF EACH INDIVIDUAL.

12 (C) AN INDIVIDUAL WHO IS REHIRED UNDER THIS SECTION MAY NOT BE  
 13 REHIRED WITHIN 45 DAYS OF THE DATE THE INDIVIDUAL RETIRED.

14 ~~(E)~~ (D) An individual who is receiving a service retirement allowance or a  
 15 vested allowance and who is reemployed by a participating employer may not receive  
 16 creditable service or eligibility service during the period of reemployment.

17 ~~(F)~~ (E) The individual's compensation during the period of reemployment  
 18 may not be subject to the employer pickup provisions of § 21-303 of this article or any  
 19 reduction or deduction as a member contribution for pension or retirement purposes.

20 ~~(G)~~ (F) The State Retirement Agency shall institute appropriate reporting  
 21 procedures with the affected payroll systems to ensure compliance with this section.

22 ~~(H)~~ (G) (1) Immediately on the employment of any individual receiving a  
 23 service retirement allowance or a vested allowance, a participating employer shall  
 24 notify the State Retirement Agency of the type of employment and the anticipated  
 25 earnings of the individual.

26 (2) At least once each year, in a format specified by the State Retirement  
 27 Agency, each participating employer shall provide the State Retirement Agency with  
 28 a list of all employees included on any payroll of the employer, the Social Security  
 29 numbers of the employees, and their earnings for that year.

30 ~~(I)~~ (H) The county boards of education shall notify the State Retirement  
 31 Agency of any retired teachers who qualify under subsection (b)(4)(v) of this section or  
 32 any personnel who qualify under subsection (b)(4)(vi) of this section.

33 ~~(J)~~ (I) The State Board of Education shall notify the county boards of  
 34 education ~~of:~~

35 ~~(K)~~ ~~any public school that is recommended for reconstitution or has been~~  
 36 ~~reconstituted;~~

1           ~~(2)~~     any public school that is no longer recommended for reconstitution or  
2 is otherwise found to meet the standards for school performance set by the State  
3 Board of Education after reconstitution or a recommendation for reconstitution;

4           ~~(3)~~     any county or subject area on a statewide basis in which the State  
5 Board of Education finds there is a shortage of teachers; and

6           ~~(4)~~     OF a finding that there is no longer a shortage of teachers in a county  
7 or subject area on a statewide basis.

8       ~~(+)~~     (J)     In addition to any regulations adopted in accordance with § 6-202 of  
9 the Education Article, the State Board of Education shall adopt regulations  
10 concerning the employment terms of retired teachers and personnel described in  
11 subsection ~~(b)(4)(vi)~~ (B)(4)(V) OR (VI) of this section.

12       ~~(+)~~     (K)     If the retiree's last assignment prior to retirement was in a position  
13 directly supervising principals as provided under subsection (b)(4)(vi) of this section,  
14 the county boards of education shall verify for the State Retirement Agency the  
15 retiree's employment as a supervisor and a principal.

16       ~~(+)~~     (L)     At the request of the State Retirement Agency:

17           (1)     a participating employer shall certify to the State Retirement Agency  
18 that it is not the same participating employer that employed an individual at the time  
19 of the individual's last separation from employment before the individual commenced  
20 receiving a service retirement allowance or a vested allowance; or

21           (2)     a unit of State government shall certify to the State Retirement  
22 Agency that the individual was not employed by any unit of State government at the  
23 time of the individual's last separation from employment before the individual  
24 commenced receiving a service retirement allowance or a vested allowance.

25       ~~(+)~~     (M)     The Department of Health and Mental Hygiene shall notify the State  
26 Retirement Agency of any retirees who qualify under subsection (b)(4)(viii) of this  
27 section.

28       (N)     ON OR BEFORE SEPTEMBER 1 OF EACH YEAR, THE STATE  
29 SUPERINTENDENT OF SCHOOLS SHALL SUBMIT A REPORT TO THE HOUSE  
30 APPROPRIATIONS COMMITTEE AND THE SENATE BUDGET AND TAXATION  
31 COMMITTEE IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE,  
32 THAT PROVIDES:

33           (1)     THE NUMBER OF REHIRED RETIREES UNDER SUBSECTION (B)(4)(V)  
34 AND (VI) OF THIS SECTION;

35           (2)     THE SCHOOL AND LOCAL SCHOOL SYSTEM WHERE EACH RETIREE  
36 HAS BEEN REHIRED;

37           (3)     THE SUBJECT MATTER THAT EACH REHIRED RETIREE IS TEACHING;

1           (4)     THE ANNUAL SALARY OF EACH REHIRED RETIREE AT THE TIME OF  
2 RETIREMENT AND THE CURRENT ANNUAL SALARY OF EACH REHIRED RETIREE;

3           (5)     THE NUMBER OF TEACHERS AND PRINCIPALS HIRED BY THE LOCAL  
4 SCHOOL SYSTEMS THAT ARE NOT RETIREES;

5           (6)     THE SCHOOL AND LOCAL SCHOOL SYSTEM WHERE EACH TEACHER  
6 AND PRINCIPAL HAS BEEN HIRED;

7           (7)     THE SUBJECT MATTER THAT EACH TEACHER IS TEACHING; AND

8           (8)     THE ANNUAL SALARY OF EACH TEACHER AND PRINCIPAL WHO IS  
9 HIRED.

10       (O)     ON OR BEFORE SEPTEMBER 1 OF EACH YEAR, THE SECRETARY OF HEALTH  
11 AND MENTAL HYGIENE SHALL SUBMIT A REPORT IN ACCORDANCE WITH § 2-1246 OF  
12 THE STATE GOVERNMENT ARTICLE TO THE HOUSE APPROPRIATIONS COMMITTEE  
13 AND THE SENATE BUDGET AND TAXATION COMMITTEE THAT PROVIDES:

14           (1)     THE NUMBER OF REHIRED RETIREES UNDER SUBSECTION (B)(4)(VIII)  
15 OF THIS SECTION;

16           (2)     THE ANNUAL SALARY OF EACH REHIRED RETIREE AT THE TIME OF  
17 RETIREMENT AND THE CURRENT ANNUAL SALARY OF EACH REHIRED RETIREE;

18           (3)     THE NUMBER OF HEALTH CARE PRACTITIONERS HIRED WHO ARE  
19 NOT RETIREES; AND

20           (4)     THE ANNUAL SALARY OF EACH HEALTH CARE PRACTITIONER WHO  
21 IS HIRED.

22 23-407.

23       (a)     An individual who is receiving a service retirement allowance or a vested  
24 allowance may accept employment with a participating employer on a permanent,  
25 temporary, or contractual basis, if:

26           (1)     the individual immediately notifies the Board of Trustees of the  
27 individual's intention to accept this employment; and

28           (2)     the individual specifies the compensation to be received.

29       (b)     (1)     The Board of Trustees shall reduce the allowance of an individual  
30 who accepts employment as provided under subsection (a) of this section if:

31           (i)     the individual's current employer is a participating employer  
32 other than the State and is the same participating employer that employed the  
33 individual at the time of the individual's last separation from employment with a  
34 participating employer before the individual commenced receiving a service  
35 retirement allowance or vested allowance;

1 (ii) the individual's current employer is any unit of State  
2 government and the individual's employer at the time of the individual's last  
3 separation from employment with the State before the individual commenced  
4 receiving a service retirement allowance or vested allowance was also a unit of State  
5 government; or

6 (iii) the individual becomes reemployed within 12 months of  
7 receiving an early service retirement allowance or an early vested allowance  
8 computed under § 23-402 of this subtitle.

9 (2) The reduction required under paragraph (1) of this subsection shall  
10 equal:

11 (i) the amount by which the sum of the individual's initial annual  
12 basic allowance and the individual's annual compensation exceeds the average final  
13 compensation used to compute the basic allowance; or

14 (ii) for a retiree who retired under the Workforce Reduction Act  
15 (Chapter 353 of the Acts of 1996), the amount by which the sum of the retiree's annual  
16 compensation and the retiree's annual basic allowance at the time of retirement,  
17 including the incentive provided by the Workforce Reduction Act, exceeds the average  
18 final compensation used to compute the basic allowance.

19 (3) A reduction of an early service retirement allowance or an early  
20 vested allowance under paragraph (1)(iii) of this subsection shall be applied only until  
21 the individual has received an allowance for 12 months.

22 (4) Except for an individual whose allowance is subject to a reduction as  
23 provided under paragraphs (1)(iii) and (3) of this subsection, the reduction of an  
24 allowance under this subsection does not apply to:

25 (i) an individual whose average final compensation was less than  
26 \$10,000 and who is reemployed on a temporary or contractual basis;

27 (ii) an individual who is serving in an elected position as an official  
28 of a participating governmental unit or as a constitutional officer for a county that is  
29 a participating governmental unit;

30 (iii) a retiree of the Teachers' Pension System who:

31 1. is or has been certified to teach in the State, IN ENGLISH,  
32 READING, MATH, SCIENCE, A FOREIGN LANGUAGE, CIVICS AND GOVERNMENT,  
33 ECONOMICS, HISTORY, GEOGRAPHY, ENGLISH AS A SECOND LANGUAGE,  
34 TECHNOLOGY EDUCATION, SPECIAL EDUCATION, OR ELEMENTARY EDUCATION;

35 2. has verification of satisfactory or better performance in  
36 the last assignment prior to retirement;

37 3. based on the retired teacher's qualifications, has been  
38 appointed in accordance with § 4-103 of the Education Article; AND



1 (v) an individual who has been retired for more than 10 years; or

2 (vi) a retiree of the Employees' Pension System who is reemployed  
3 on a contractual basis by the Department of Health and Mental Hygiene as a health  
4 care practitioner, as defined in § 1-301 of the Health Occupations Article in:

5 1. a State residential center as defined in § 7-101 of the  
6 Health - General Article;

7 2. a chronic disease center subject to Title 19, Subtitle 5 of  
8 the Health - General Article;

9 3. a State facility as defined in § 10-101 of the Health -  
10 General Article; or

11 4. a county board of health subject to Title 3, Subtitle 2 of the  
12 Health - General Article.

13 (5) (I) AN INDIVIDUAL WHO IS REHIRED UNDER PARAGRAPH (4)(III) OF  
14 THIS SUBSECTION SHALL BE EMPLOYED AS A CLASSROOM TEACHER, SUBSTITUTE  
15 CLASSROOM TEACHER, TEACHER MENTOR, OR SUBSTITUTE TEACHER MENTOR IN A  
16 PUBLIC SCHOOL THAT:

17 1. IS NOT MAKING ADEQUATE YEARLY PROGRESS AS  
18 DEFINED UNDER THE FEDERAL NO CHILD LEFT BEHIND ACT OF 2001 AND AS  
19 IMPLEMENTED BY THE STATE DEPARTMENT OF EDUCATION;

20 2. IS RECEIVING FUNDS UNDER TITLE 1 OF THE FEDERAL NO  
21 CHILD LEFT BEHIND ACT OF 2001; OR

22 3. PROVIDES AN ALTERNATIVE EDUCATION PROGRAM FOR  
23 STUDENTS WHO HAVE BEEN EXPELLED, SUSPENDED, OR IDENTIFIED FOR  
24 SUSPENSION OR EXPULSION FROM A PUBLIC SCHOOL.

25 (II) EXCEPT AS PROVIDED IN SUBPARAGRAPH (III) OF THIS  
26 PARAGRAPH, AN INDIVIDUAL REHIRED AT A SCHOOL DESCRIBED UNDER  
27 SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL TEACH:

28 1. A CORE SUBJECT THAT HAS BEEN IDENTIFIED BY THE  
29 STATE DEPARTMENT OF EDUCATION BY REGULATION AS A CRITICAL SHORTAGE  
30 AREA;

31 2. TECHNOLOGY EDUCATION;

32 3. A SPECIAL EDUCATION CLASS FOR STUDENTS WITH  
33 SPECIAL NEEDS; OR

34 4. A CLASS FOR STUDENTS WITH LIMITED ENGLISH  
35 PROFICIENCY.

1 (III) AN INDIVIDUAL REHIRED AT A SCHOOL DESCRIBED UNDER  
2 SUBPARAGRAPH (I) OF THIS PARAGRAPH MAY NOT TEACH IN THE ARTS, AS DEFINED  
3 BY THE STATE DEPARTMENT OF EDUCATION BY REGULATION.

4 (6) AN INDIVIDUAL WHO IS REHIRED UNDER PARAGRAPH (4)(IV) OF THIS  
5 SUBSECTION SHALL BE EMPLOYED AS A PRINCIPAL AT A PUBLIC SCHOOL THAT:

6 (I) IS NOT MAKING ADEQUATE YEARLY PROGRESS AS DEFINED  
7 UNDER THE FEDERAL NO CHILD LEFT BEHIND ACT OF 2001 AND AS IMPLEMENTED  
8 BY THE STATE DEPARTMENT OF EDUCATION;

9 (II) IS RECEIVING FUNDS UNDER TITLE 1 OF THE FEDERAL NO  
10 CHILD LEFT BEHIND ACT OF 2001; OR

11 (III) PROVIDES AN ALTERNATIVE EDUCATION PROGRAM FOR  
12 STUDENTS WHO HAVE BEEN EXPELLED, SUSPENDED, OR IDENTIFIED FOR  
13 SUSPENSION OR EXPULSION FROM A PUBLIC SCHOOL.

14 (7) IF, AT THE TIME AN INDIVIDUAL IS REEMPLOYED UNDER  
15 PARAGRAPH (4)(III) OR (IV) OF THIS SUBSECTION AT A SCHOOL DESCRIBED UNDER  
16 PARAGRAPH (5)(I)1 OR (6)(I) OF THIS SUBSECTION, AND WHILE THE INDIVIDUAL IS  
17 REEMPLOYED THE SCHOOL MAKES ADEQUATE YEARLY PROGRESS, THE INDIVIDUAL  
18 MAY CONTINUE TO BE REEMPLOYED AT THAT SCHOOL FOR 3 YEARS FROM THE DATE  
19 THE SCHOOL FIRST MADE ADEQUATE YEARLY PROGRESS AFTER THE INDIVIDUAL  
20 WAS REHIRED.

21 (8) AN INDIVIDUAL WHO IS REHIRED UNDER PARAGRAPH (4)(III) OR (IV)  
22 OF THIS SUBSECTION MAY NOT BE EMPLOYED AT A PUBLIC SCHOOL THAT IS IN THE  
23 TOP 60% OF PUBLIC SCHOOLS IN THE STATE IN OVERALL PERFORMANCE FOR THE  
24 PRIOR SCHOOL YEAR IN READING AND MATH, AS CALCULATED ANNUALLY BY THE  
25 STATE BOARD OF EDUCATION.

26 (9) (I) THE SUPERINTENDENT OF THE LOCAL SCHOOL SYSTEM  
27 REHIRING AN INDIVIDUAL UNDER PARAGRAPH (4)(III) OR (IV) OF THIS SUBSECTION  
28 SHALL APPROVE THE REHIRING OF THAT INDIVIDUAL AND SHALL DETERMINE THE  
29 SCHOOL WHERE THE INDIVIDUAL SHALL BE REEMPLOYED.

30 (II) ON OR BEFORE AUGUST 1 OF EACH YEAR, THE LOCAL  
31 SUPERINTENDENT SHALL REPORT ANNUALLY TO THE STATE BOARD OF EDUCATION:

32 1. THE NUMBER OF INDIVIDUALS REHIRED UNDER  
33 PARAGRAPH (4)(III) OR (IV) OF THIS SUBSECTION;

34 2. THE LOCATION OF THE SCHOOL WHERE EACH  
35 INDIVIDUAL IS EMPLOYED;

36 3. THE SUBJECT MATTER TAUGHT BY EACH INDIVIDUAL;  
37 AND

38 4. THE ANNUAL SALARY OF EACH INDIVIDUAL.

1 ~~(C)~~ (C) AN INDIVIDUAL WHO IS REHIRED UNDER THIS SECTION MAY NOT BE  
 2 REHIRED WITHIN 45 DAYS OF THE DATE THE INDIVIDUAL RETIRED.

3 ~~(D)~~ (D) An individual who is receiving a service retirement allowance or a  
 4 vested allowance and who is reemployed by a participating employer may not receive  
 5 creditable service or eligibility service during the period of reemployment.

6 ~~(E)~~ (E) The individual's compensation during the period of reemployment  
 7 may not be subject to the employer pickup provisions of § 21-303 of this article or any  
 8 reduction or deduction as a member contribution for pension or retirement purposes.

9 ~~(F)~~ (F) The State Retirement Agency shall institute appropriate reporting  
 10 procedures with the affected payroll systems to ensure compliance with this section.

11 ~~(G)~~ (G) (1) Immediately on the employment of any individual receiving a  
 12 service retirement allowance or a vested allowance, a participating employer shall  
 13 notify the State Retirement Agency of the type of employment and the anticipated  
 14 earnings of the individual.

15 (2) At least once each year, in a format specified by the State Retirement  
 16 Agency, each participating employer shall provide the State Retirement Agency with  
 17 a list of all employees included on any payroll of the employer, the Social Security  
 18 numbers of the employees, and their earnings for that year.

19 ~~(H)~~ (H) The county boards of education shall notify the State Retirement  
 20 Agency of any retired teachers who qualify under subsection (b)(4)(iii) of this section  
 21 or any personnel who qualify under subsection (b)(4)(iv) of this section.

22 ~~(I)~~ (I) The State Board of Education shall notify the county boards of  
 23 education of:

24 ~~(1) any public school that is recommended for reconstitution or has been~~  
 25 ~~reconstituted;~~

26 ~~(2) any public school that is no longer recommended for reconstitution or~~  
 27 ~~is otherwise found to meet the standards for school performance set by the State~~  
 28 ~~Board of Education after reconstitution or a recommendation for reconstitution;~~

29 ~~(3) any county or subject area on a statewide basis in which the State~~  
 30 ~~Board of Education finds there is a shortage of teachers; and~~

31 ~~(4) OF~~ (4) OF a finding that there is no longer a shortage of teachers in a county  
 32 or subject area on a statewide basis.

33 ~~(J)~~ (J) In addition to any regulations adopted in accordance with § 6-202 of  
 34 the Education Article, the State Board of Education shall adopt regulations  
 35 concerning the employment terms of retired teachers and personnel described in  
 36 subsection ~~(b)(4)(iv)~~ (B)(4)(III) OR (IV) of this section.

1     ~~(J)~~     (K)     If the retiree's last assignment prior to retirement was in a position  
 2 directly supervising principals as provided under subsection (b)(4)(iv) of this section,  
 3 the county boards of education shall verify for the State Retirement Agency the  
 4 retiree's employment as a supervisor and a principal.

5     ~~(K)~~     (L)     At the request of the State Retirement Agency:

6             (1)     a participating employer shall certify to the State Retirement Agency  
 7 that it is not the same participating employer that employed an individual at the time  
 8 of the individual's last separation from employment before the individual commenced  
 9 receiving a service retirement allowance or a vested allowance; or

10            (2)     a unit of State government shall certify to the State Retirement  
 11 Agency that the individual was not employed by any unit of State government at the  
 12 time of the individual's last separation from employment before the individual  
 13 commenced receiving a service retirement allowance or a vested allowance.

14     ~~(L)~~     (M)     The Department of Health and Mental Hygiene shall notify the State  
 15 Retirement Agency of any retirees who qualify under subsection (b)(4)(vi) of this  
 16 section.

17     (N)     ON OR BEFORE SEPTEMBER 1 OF EACH YEAR, THE STATE  
 18 SUPERINTENDENT OF SCHOOLS SHALL SUBMIT A REPORT TO THE HOUSE  
 19 APPROPRIATIONS COMMITTEE AND THE SENATE BUDGET AND TAXATION  
 20 COMMITTEE IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE,  
 21 THAT PROVIDES:

22            (1)     THE NUMBER OF REHIRED RETIREES UNDER SUBSECTION (B)(4)(III)  
 23 AND (IV) OF THIS SECTION;

24            (2)     THE SCHOOL AND LOCAL SCHOOL SYSTEM WHERE EACH RETIREE  
 25 HAS BEEN REHIRED;

26            (3)     THE SUBJECT MATTER THAT EACH REHIRED RETIREE IS TEACHING;

27            (4)     THE ANNUAL SALARY OF EACH REHIRED RETIREE AT THE TIME OF  
 28 RETIREMENT AND THE CURRENT ANNUAL SALARY OF EACH REHIRED RETIREE;

29            (5)     THE NUMBER OF TEACHERS AND PRINCIPALS HIRED BY THE LOCAL  
 30 SCHOOL SYSTEMS THAT ARE NOT RETIREES;

31            (6)     THE SCHOOL AND LOCAL SCHOOL SYSTEM WHERE EACH TEACHER  
 32 AND PRINCIPAL HAS BEEN HIRED;

33            (7)     THE SUBJECT MATTER THAT EACH TEACHER IS TEACHING; AND

34            (8)     THE ANNUAL SALARY OF EACH TEACHER AND PRINCIPAL WHO IS  
 35 HIRED.

1 (O) ON OR BEFORE SEPTEMBER 1 OF EACH YEAR, THE SECRETARY OF HEALTH  
2 AND MENTAL HYGIENE SHALL SUBMIT A REPORT IN ACCORDANCE WITH § 2-1246 OF  
3 THE STATE GOVERNMENT ARTICLE TO THE HOUSE APPROPRIATIONS COMMITTEE  
4 AND THE SENATE BUDGET AND TAXATION COMMITTEE THAT PROVIDES:

5 (1) THE NUMBER OF REHIRED RETIREES UNDER SUBSECTION (B)(4)(VI)  
6 OF THIS SECTION;

7 (2) THE ANNUAL SALARY OF EACH REHIRED RETIREE AT THE TIME OF  
8 RETIREMENT AND THE CURRENT ANNUAL SALARY OF EACH REHIRED RETIREE;

9 (3) THE NUMBER OF HEALTH CARE PRACTITIONERS HIRED WHO ARE  
10 NOT RETIREES; AND

11 (4) THE ANNUAL SALARY OF EACH HEALTH CARE PRACTITIONER WHO  
12 IS HIRED.

13 29-116.

14 (a) The Board of Trustees shall reduce the pension of a retiree on ordinary  
15 disability if:

16 (1) the retiree is under normal retirement age;

17 (2) the medical board certifies in a report to the Board of Trustees that  
18 the retiree is [engaged in a gainful occupation paying more] EMPLOYED BY A  
19 PARTICIPATING EMPLOYER AT AN ANNUAL COMPENSATION THAT IS GREATER than  
20 the difference between:

21 (i) the retiree's retirement allowance at retirement; and

22 (ii) the retiree's average final compensation plus \$5,000;

23 (3) the Board of Trustees agrees with the medical board's report; and

24 (4) the retiree's allowance has not been temporarily suspended as  
25 provided in § 29-115 of this subtitle.

26 (b) The Board of Trustees shall reduce the pension of a retiree who has been  
27 receiving an ordinary disability retirement allowance for:

28 (1) less than 10 years, by \$1 for every \$2 that the retiree's current  
29 compensation exceeds the limit under subsection (a) of this section; or

30 (2) at least 10 years, by \$1 for every \$5 that the retiree's current  
31 compensation exceeds the limit under subsection (a) of this section.

32 (c) The pension to be reduced under this section is the pension at retirement  
33 without any cost-of-living adjustment.

1

**Chapter 518 of the Acts of 1999**

2 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take  
3 effect July 1, 1999. It shall remain in effect for a period of [5] 9 years and, at the end  
4 of June 30, [2004] 2008, with no further action required by the General Assembly, this  
5 Act shall be terminated and of no further force and effect.

6

**Chapter 245 of the Acts of 2000**

7 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take  
8 effect July 1, 2000. It shall remain effective for a period of [4] 8 years and, at the end  
9 of June 30, [2004] 2008, with no further action required by the General Assembly, this  
10 Act shall be abrogated and of no further force and effect.

11

**Chapter 732 of the Acts of 2001**

12 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take  
13 effect July 1, 2001. It shall remain effective for a period of [3] 7 years and at the end  
14 of June 30, [2004] 2008, with no further action required by the General Assembly, this  
15 Act shall be abrogated and of no further force and effect.

16

**Chapter 733 of the Acts of 2001**

17 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
18 July 1, 2001. Section 2 of this Act shall remain effective for a period of [3] 7 years  
19 and, at the end of June 30, [2004] 2008, with no further action required by the  
20 General Assembly, Section 2 of this Act shall be abrogated and of no further force and  
21 effect.

22 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be  
23 construed to apply only prospectively and may not be applied or interpreted to have  
24 any effect on or application to a retiree's employment contract in effect before the  
25 effective date of this Act.

26 ~~SECTION 3.~~ AND BE IT FURTHER ENACTED, That this Act shall take  
27 effect July 1, 2004.